UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW HAMPSHIRE

SCOTTSDALE CAPITAL ADVISORS CORP,)
AND JOHN HURRY,)
Plaintiffs,))) CASE NO. 1:16-CV-00545
v.)
THE DEAL, LLC AND WILLIAM MEAGHER,))
Defendants.	,)

SUPPLEMENTAL DECLARATION OF JOHN M. BROWNING IN FURTHER SUPPORT OF DEFENDANTS' MOTION TO DISMISS

I, John M. Browning, being of lawful age and otherwise competent to testify in a court of law, do hereby declare under penalty of perjury that the following is true and correct pursuant to 28 U.S.C. §1746:

- 1. I am an associate at Davis Wright Tremaine LLP, counsel to defendants The Deal LLC ("The Deal") and William Meagher (collectively, the "Defendants"). I have been admitted to practice before this Court *pro hac vice*. I make this declaration based on my personal knowledge and submit this declaration, together with the exhibits annexed hereto, in further support of Defendants' motion to dismiss this action for lack of personal jurisdiction.
- 2. Annexed hereto as Exhibit A are true and correct copies of relevant excerpts of the transcript of the oral argument concerning Defendants' Motion to Dismiss for Lack of Personal Jurisdiction, which was held before this Court on May 15, 2017 ("Oral Argument").
- 3. Annexed hereto as Exhibit B is a true and correct copy of Defendants Objections and Responses to Plaintiffs' Interrogatories to Defendant The Deal, LLC Set One (the "Interrogatory Responses"). This exhibit is filed under seal pursuant to the protective order

agreed to between the parties and dated May 20, 2017, which the Court entered on June 2, 2017 (the "Protective Order"). The Interrogatory Responses include most of the evidence relied on by Defendants in their Supplemental Memorandum of Law. To avoid burdening the Court with excessive papers, Defendants have not included copies of the relevant documents cited in the Interrogatory Responses by bates number, which were produced to Plaintiffs. Defendants are prepared to provide the Court with copies of these documents upon request and subject to the terms of the Protective Order.

4. In addition to the information set forth in the Interrogatory Responses, the following information obtained in the course of discovery is relevant to Defendants' Supplemental Memorandum of Law in Further Support of their Motion to Dismiss Pursuant to Federal Rule of Civil Procedure 12(b)(2).

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- During Oral Argument counsel for Plaintiffs stated that a substantially identical defamation lawsuit filed against Defendants in New York was voluntarily withdrawn on November 3, 2016 because Plaintiffs had given Defendants "months and months and months of extensions to file their motion, and in fact ... were on the verge of giving them another one." Oral Argument, Tr. [29:4-9]. This statement is incorrect. In reality, Defendants had *not* requested an extension of time beyond the November 4, 2016 deadline to file their motion to dismiss and were in the process of finalizing their motion papers when the New York lawsuit was withdrawn unexpectedly on the afternoon before the filing was due.
- 13. Annexed hereto as Exhibit C is a true and correct copy of the Extended Hearing Panel Decision Issued by FINRA against Plaintiffs Scottsdale Capital Advisors Corporation and John Hurry, *inter alia* (the "FINRA Order").
- 14. The FINRA Order expressly cites to the Biozoom securities litigation which featured prominently in the Articles because Plaintiffs' response to this incident formed part of their "culture" of willfully ignoring "red flags" indicating that Scottsdale customers were committing securities fraud. *See* FINRA Order at 11-13. Plaintiffs' unwillingness to implement tighter safeguards after obvious instances of stock-marked fraud were committed by customers like Biozoom ultimately led to Plaintiffs being sanctioned by FINRA over subsequent illegal transactions. Therefore, the subject matter reported in Mr. Meagher's Articles is intimately relevant to the FINRA Order fining Scottsdale "\$1.5 million and barring Mr. Hurry "from association with any FINRA member in any capacity." *Id.* at 110.

I certify under penalty of perjury that the foregoing is true and correct.

Dated:	July 6, 2017	
		/s/ John M. Browning
		John M. Browning